



NorRail, Inc.
Buying, Selling, Leasing
Railcars / Locomotives

308 12th Avenue South, Buffalo, Minnesota 55313 • Phone: (612) 557-0215 • Fax: (612) 682-2452

November 12, 1996

NOV 1 1996 11:02 PM

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two originals of an Amendment No. 1 dated October 14, 1996 to a Schedule No. 4 dated as of May 13, 1996 which was recorded as document No. 19740-F on May 13, 1996 at 9:20 AM.

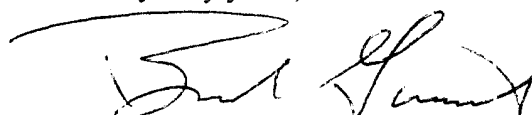
The names and addresses of the parties to the enclosed documents are:

Lessor: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313
(612) 557-0215

Lessee: Dakota, Minnesota & Eastern Railroad Corporation
337 22nd Avenue South
Brookings SD 57006
(605) 697-2412

The Amendment No. 1 to Scheudle 4 covers one covered hopper railcar which is identified in the Amendment No. 1. We have also enclosed our check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact me at 612-557-0215.

Very truly yours,


Bradley C. Gunstad

19740-L
NOV 1 1996

**AMENDMENT NO. 1
TO SCHEDULE NO. 4**

This Amendment No. 1 (herein referred to as "Amendment No. 1") is made and entered into as of this 14th day of October 1996, by NorRail, Inc. (herein referred to as "LESSOR") and DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION (herein referred to as "LESSEE") and is made with respect to that certain SCHEDULE NO. 4 dated April 22, 1996 (herein referred to as "SCHEDULE NO. 4") entered into between LESSOR and LESSEE to Lease Agreement No. 1636.

WHEREAS, LESSOR and LESSEE have heretofore entered into SCHEDULE NO. 4;

WHEREAS, SCHEDULE NO. 4 was recorded with the Surface Transportation Board as document No. 19740-F on May 13, 1996 at 9:20 AM;

WHEREAS, attached as Schedule A to SCHEDULE NO. 4 was a listing of railcars;

WHEREAS, LESSOR and LESSEE desire to amend SCHEDULE NO. 4 so as to correct the description of one of the railcars referred to therein.

NOW, THEREFORE, LESSOR and LESSEE hereby agrees as follows:

1. SCHEDULE NO. 4 shall be amended and restated so as to delete the reference to the railcar described as "Old Car # CR 887676 --- New Car # DME 47182" and to insert in its place the railcar described as "Old Car # CR889676 -- New Car # DME47182."

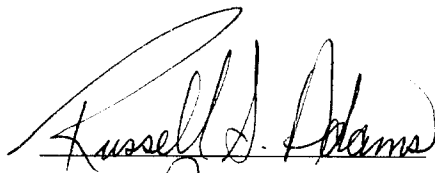
2. Except as expressly provided for in Section 1 of this Amendment No. 1, SCHEDULE NO. 4 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be executed by their duly authorized officers as of the date stated above.

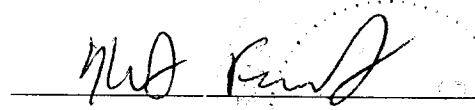
NORRAIL, INC.

**DAKOTA, MINNESOTA & EASTERN
RAILROAD CORPORATION**

BY:



BY:



ITS:

Vice President Sales

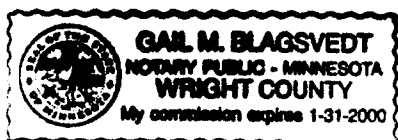
ITS:

Kurt V. Feaster Chief Financial Officer
Treasurer & Asst. Secretary

STATE OF MINNESOTA, COUNTY OF WRIGHT, TO WIT:

On this 11th day of ~~October~~ ^{November}, 1996, before me personally appeared L. Lee Struble to me personally known, who being by me duly sworn, says that he is the Vice President - Marketing of NorRail, Inc., a Minnesota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Witness my hand
and Official Seal:



Gail M. Blagsvedt
Notary Public

My Commission expires: 1-31-2000

STATE OF SOUTH DAKOTA, COUNTY OF Brookings TO WIT:

On this 5th day of ~~October~~ ^{November}, 1996, before me personally appeared Kurt V. Feaster to me personally known, who being by me duly sworn, says that he is the Chief Financial Officer of Dakota, Minnesota & Eastern Railroad Corporation, a ~~Delaware~~ corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Witness my hand
and Official Seal:



Jennifer E. Hock
Notary Public

My Commission expires: 5-5-02